

EXHIBIT "A"**CONTRACT No.: 080030****PROJECT IDENTIFICATION No.: 111533.00****PROJECT DESCRIPTION: SHELBY COUNTY AIR QUALITY PROGRAMS. TO INCLUDE AIR QUALITY OUTREACH, DIESEL RETROFIT, OZONE ALERT DAY PROGRAMS, AND RIDESHARE/VANPOOL.****CHANGE IN COST:** Cost hereunder is controlled by the figures shown in the TIP and any amendments, adjustments or changes thereto.**TYPE OF WORK:**

PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
AIR QUALITY OUTREACH					
IMPL	CMAQ	80%	0%	20%	\$1,500,000.00
DIESEL RETROFIT					
IMPL	CMAQ	80%	0%	20%	\$400,000.00
OZONE ALERT DAY PROGRAM					
IMPL	CMAQ	80%	0%	20%	\$1,000,000.00
RIDESHARE/VANPOOL					
IMPL	CMAQ	100%	0%	0%	\$2,200,000.00

INELIGIBLE COST: One hundred percent (100%) of the actual cost will be paid from Agency funds following expenditure the most recently approved TIP cost or if the use of said federal funds is ruled ineligible at any time by the Federal Highway Administration.**LEGISLATIVE AUTHORITY:****CMAQ: 23 U.S.C.A., Section 149**, Congestion Mitigation and Air Quality Improvement Program funds allocated or subject to allocation to the Agency.**STP: 23 U.S.C.A., Section 133**, Surface transportation Program funds allocated or subject to allocation to the Agency.

For federal funds included in this contract, the CFDA Number is 20.205, Highway Planning and Construction.

Funding provided through an allocation from the US Department of Transportation.

EXHIBIT "A"
SHELBY COUNTY AIR QUALITY PROGRAMS
MAJOR ACTIVITIES BUDGETS

MAJOR ACTIVITY	CMAQ
1. Diesel Retrofit	(80% Federal, 20% Local Share)
Administration	\$50,000.00
Materials	\$250,000.00
Installation	\$100,000.00
Total	\$400,000.00

MAJOR ACTIVITY	CMAQ
2. Education and Outreach	(80% Federal, 20% Local Share)
Administration	\$340,000.00
Marketing	\$1,119,000.00
Outreach Programs	\$41,000.00
Total	\$1,500,000.00

MAJOR ACTIVITY	CMAQ
3. Ozone Alert	(80% Federal, 20% Local Share)
Administration	\$50,000.00
Transit Rides	\$750,000.00
Marketing	\$250,000.00
Total	\$1,000,000.00

MAJOR ACTIVITY	CMAQ
4. Rideshare	(100% Federal)
Administration	\$525,588.00
Direct Leasing/Vehicle purchase Costs	\$853,133.00
Guarantee Ride Home	\$150,000.00
Vanpool Start up Incentive Subsidy	\$450,000.00
Marketing	\$150,000.00
Indirect Costs	\$71,279.00
Total	\$2,200,000

NOTE: No total for any major activity can exceed the funding shown in the most recently approved TIP. Within major activity budgets however, line items may not exceed the stated amount by no more than 15% without amendment to the contract.

Subsidies for the Rideshare program end 9/30/2009.

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August 11, 2008

Scope of Work for Shelby County Air Quality Improvement Projects

The following projects will be administered by the Air Quality Improvement Branch.(AQIB) This Branch is a part of the Pollution Control Division of the Memphis and Shelby County Health Department. The Branch and budget were created by a Shelby County Commission resolution on November 16, 2007. The Health Department is a jointly funded City/ County agency, with the County occupying the lead role in all operational matters. The Pollution Control Division has federal primacy for all air issues and handles all air permits as well as air quality planning issues. This lead to the creation of the AQIB whose mission is to focus on air quality improvement issues and projects.

Diesel Retrofit Project

On-road diesel emissions are a major source of pollution in metropolitan areas such as Shelby County Tennessee. Shelby County's non attainment status for ozone pollution is heavily influenced by transportation activities. This project will allow the Air Quality Improvement Branch (AQIB) to continue a diesel retrofit project that began under pin#109516 to retrofit 294 County owned school buses. Once approved, we will take applications from Shelby County diesel fleet operators, both public and private, and notify TDOT of each approved applicant. We will then contract with them for installation, then process their paperwork for payment by the State. The vehicles must remain in the non attainment area at least 85% of the time. Any technology used to perform the diesel retrofits will meet EPA and CARB approval. The diesel retrofit project is needed to help reduce transportation based air pollution emissions in the Shelby County area. AQIB will provide oversight for this project which will include some staff time and local travel as well as the use of office supplies and equipment to accomplish.

Air Quality Outreach Project

AQIB proposes to demonstrate the air quality benefits of improved public awareness through establishing a major public education and outreach campaign focused on clean air. The goal of this project is to educate the public, area leaders, educators and businesses about connections among trip making and transportation alternatives, traffic congestion, and air quality. This campaign can help the Shelby-Crittenden County non attainment area reduce emissions and congestion by inducing drivers to change their transportation choices

AQIB will provide staff support, supplies and equipment for the administration of this program. AQIB will develop and provide a number of educational services and products including written, video and radio "Clean Air" materials. These will be owned by the Branch and made available to other agencies and departments if requested. This project will develop surveys, programs and special events that promote clean air actions and help the public make clean air choices and give AQIB the information needed to improve the

program. There will be some travel involved with this project both local and out of State. Attendance is recommended at several conferences that include workshops on air quality education and outreach methods and issues in the United States.

The goal of this project is to deliver sound enduring messages that provide citizens with the knowledge and tools to make a difference in our air quality.

Ozone Alert Days Project

AQIB will work closely with the Memphis Area Transit Authority (MATA) to provide reduced fare bus and trolley rides (.25) on ozone code red days during the 2008 ozone season. MATA averages 30,000 riders per day. The program will expand to code orange days in the next ozone season in 2009. Ozone Action Days are days when code orange or higher air pollution alerts have been issued for ozone pollution in Shelby County, TN. The reduced transit fares will cover bus and trolley rides.

This project has the added benefit of providing a robust marketing plan that promotes the reduced fare days. A major goal of the program is to increase numbers of commuters using public transportation going to and from work. This marketing will have a spillover effect of raising the awareness of MATA and public transit use among typical non-transit users. Thus increasing the number of MATA riders that would typically be single occupancy vehicle operators. AQIB will provide staff oversight and direction for the marketing portion that is funded by this project. This will include some staff time and local travel, as well as the use of office supplies and equipment to accomplish.

The project is designed to get people out of their individual vehicles and onto public transportation. The result will be less congestion and lower transportation based air pollution. At the end of the funding for this project, the results will be evaluated and a determination will be made as to whether or not additional funding will be sought for following years.

RideShare/Vanpool Program

The Air Quality Improvement Branch will operate the Memphis Area RideShare program. AQIB will provide staff support, office supplies, equipment and oversight to all aspects of the RideShare program. This includes marketing of the program as well as providing and administering all the incentives for commuters who carpool, vanpool and use the local transit service. The incentives will include the use of our free computer matching service, a guaranteed ride home program and development and distribution of marketing and promotional materials. This program will offer subsidies for vanpoolers who wish to rent or buy a van for vanpooling and are willing to pay a reasonable user fee. These subsidies include the initial lease or purchase of the van, empty seat subsidy and provision of insurance and maintenance expenses. Our program will work with area employers to organize employees in carpools and vanpools and help establish park and ride sites. Attendance is recommended at several conferences that focus on increasing ridesharing in the United States and provide training for the most efficient use of computer software to facilitate rider matching.